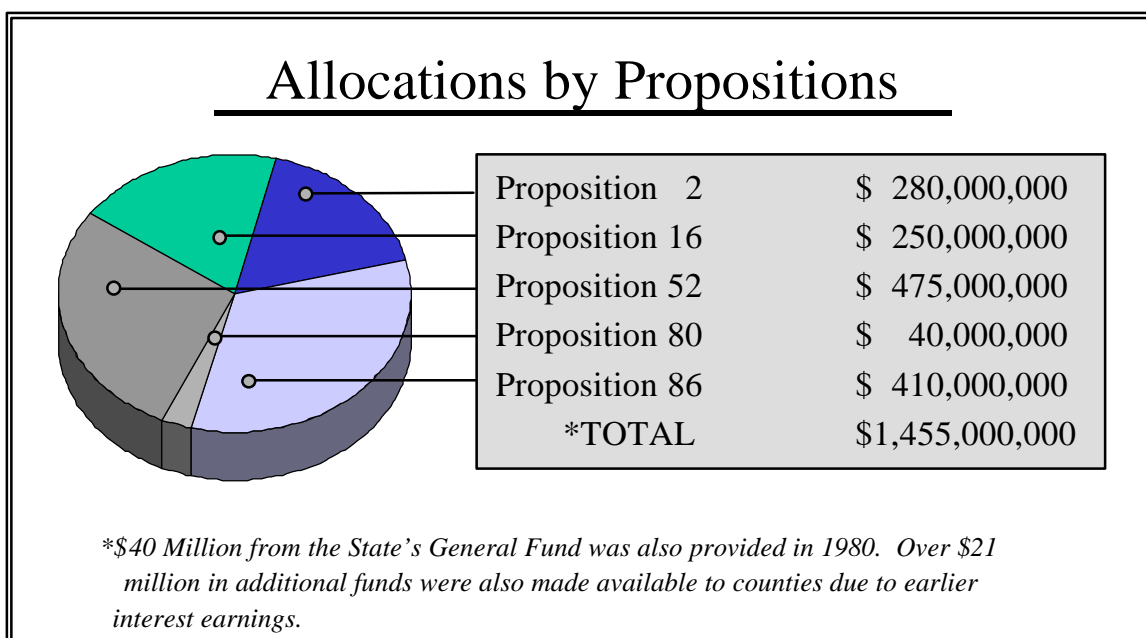


Bond Fund Allocations

The Jail Construction Fund began in 1980 with \$40 million from the State's General Fund. Figure 6 illustrates how this fund has grown through bond acts approved by voters during the 1980s. County allocations exceeded the amount available from the first two bond acts. The Legislature intended to fund the shortfall from interest earnings derived from the bond sales, but the Federal Tax Reform Act of 1986 precluded further interest earnings. The shortfall and the costs of administering these funds were provided through Proposition 80 and interest earned on bonds sold prior to the passage of the Act.

Figure 6



Except for Proposition 80, each of the jail bond acts added to, or placed more emphasis on, some of the eligibility requirements first established in Proposition 2. Generally, these requirements include: county match; demonstrated need; separation of juveniles, mentally disordered persons and persons arrested for intoxication; master site plan; staffing plan; operating cost analysis; construction cost controls; and construction deadlines.

Legislation implementing Proposition 52 contained provisions for reallocating reversion funds from the 1981, 1984, and 1986 bond acts. Proposition 86 added language to include any funds reverted from the 1988 bond act. Reversion funds are dollars unclaimed or unused, as well as interest earnings on accounts not impacted by the Federal Tax Reform Act of 1986. In the 1990s, the BOC reallocated over \$54 million to counties in cooperation with the California State Association of Counties, the California State Sheriffs' Association, and an advisory committee.

Projects funded by reallocations included addition of minimum, medium, and maximum security bed space; security communications, alarm systems, and mechanical systems upgrades; addition or expansion of support services (kitchen, medical areas, and program space), as well as completion of projects for which prior funds were unable to address all necessary components. In FY 1998/99, Shasta and Butte counties are expected to receive any remaining reallocation funds and be placed under contract for small construction projects.